



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE
HARRISBURG, PENNSYLVANIA
17128-1100

THE SECRETARY

August 28, 2009

Cliff Seagroves
Deputy Director
Diplomatic Property, Taxes, Services & Benefits
United States Department of State
Office of Foreign Missions
Washington, D.C. 20520

Re: Pennsylvania Sales, Use and Hotel Occupancy Taxes
United States Department of State
Office of Foreign Missions
Diplomatic Exemption

Dear Mr. Seagroves:

The Department of Revenue received your letter regarding the above-referenced subject. You questioned whether the copies of Department regulations 208 and 801 that you received in 1998 are the current regulations governing the diplomatic exemption from sales tax.

Please be advised that Pennsylvania's laws regarding the sales tax exemption available to diplomats purchasing taxable property, services, and hotel occupancy in Pennsylvania have not changed. Both regulation 208 and 801 remain valid, controlling regulations.

I trust that this is a sufficient response to your request. Please contact Lora A. Kulick, Esq. of the Department's Office of Chief Counsel by telephone at (717) 346-4644 with any additional questions or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stephen H. Stetler".

Stephen H. Stetler
Secretary of Revenue



Commonwealth of Pennsylvania
Department of Revenue

Office of Chief Counsel
Dept. 281061
Harrisburg, PA 17128-1061

Sales and Use Tax Regulation 208

(61 Pa. Code §32.24)

Section §32.24 - Sales to Ambassadors, Ministers
and Consular Officers of Foreign
Governments

REVISED September 9, 1972
REVISED June 16, 1990

(a) Diplomatic Exceptions - Sales to ambassadors, ministers and other diplomatic representatives of foreign governments are not subject to tax in accordance with provisions established by the Office of Foreign Missions, United States Department of State. The exemption from tax is evidenced by the tax exemption card issued by the United States Department of State. Restrictions on the exemption from tax will be indicated on the exemption card.

(b) Procedural Requirements for Diplomatic Exemptions - A person entitled to the diplomatic exemption from the tax is required to make application to the Office of Foreign Missions, United States Department of State. This Federal agency will issue a Tax Exemption Card to each individual qualifying for exemption from tax. The Department will recognize the exemption from tax granted to these individuals in accordance with the restrictions provided on the tax exemption card.

(c) Sales made to individuals qualifying for a diplomatic exemption from tax - A vendor shall retain a completed exemption certificate form which supports the tax exempt transaction. The Federal tax exemption number shall be included on the exemption certificate.



Commonwealth of Pennsylvania
Department of Revenue

Office of Chief Counsel
Dept. 281061
Harrisburg, PA 17128-1061

Sales and Use Tax Regulation 801

(61 Pa. Code §38.2)

Hotel Occupancy
Section §38.2 - Exemptions

ISSUED	November 1, 1965
REVISED	September 9, 1972
REVISED	August 11, 1973
REVISED	October 25, 1975

(a) Permanent residents - A permanent resident as that term is defined in §38.3 of this title (relating to definitions), is excluded from hotel occupancy tax liability upon the occupancy of any room or rooms in a hotel for any rental period during which, or at the expiration of which, he is or becomes a permanent resident. This exclusion does not apply, however, to the purchase of meals or any other taxable purchase which may be made by a permanent resident.

(b) Ambassadors, ministers and consular officers of foreign governments - Ambassadors, ministers and other diplomatic representatives of foreign governments properly accredited to the United States, are exempt from tax upon their occupancy of rooms. This exemption does not apply to consular officers or to officers of foreign governments other than those specified in this section, unless such exemption arises from treaties or reciprocal agreements existing between such foreign governments and the United States.

(1) A person claiming exemption from the tax under this subsection is required to apply in writing therefor to the Bureau of Accounts Settlement, Department of Revenue, Harrisburg, Pennsylvania, Attention: Exemption Unit. Ambassadors, ministers and other diplomatic representatives of foreign governments should submit written proof that they are properly accredited to the United States. Consular officers and officials of foreign governments should submit written proof of the treaty or agreement under which similar exemption is granted by their country to consular officers and officials of the United States together with proof that such treaty or reciprocal agreement is presently in effect and that they are an officer or official entitled to prerogatives thereunder. If exemption has already been accorded under the sales and use tax portion of the TRC (72 P.S. §§7101--8203) the numbered identification card is valid for hotel occupancy tax purposes.

(2) If the request for exemption is approved, a numbered identification card will be issued to the applicant. This card shall be shown by the exempt occupant to the hotel operator whenever a claim for exemption is made.

(c) Occupancy of hotel rooms by United States Government - Occupancy of hotel rooms by the United States Government shall be exempt from tax in accordance with the following:

(1) Occupancy of rooms by the Government of the United States, or its agencies, or by an employe or representative of the Government of the United States or its agencies, when such occupancy is solely for official purposes and the rent is paid by the Government of the United States or its agencies, is exempt from tax.

(2) Occupancy of rooms by National Banks, Federal Savings and Loan Associations, Joint Stock Land Banks, National Park Commissioners, or their employes or representatives, or by Federal licensees such as warehouses, stockyards, construction contractors engaged in the improvement of real estate owned by a Federal agency, or similar corporations, companies, institutions, or persons, or their employes or representatives, regardless of the purpose of the occupancy, is not exempt from the Hotel Occupancy Tax. Members of the Armed Forces are not exempt from tax upon occupancy of rooms unless acting as authorized representatives of the Government of the United States or one of its agencies and are otherwise entitled to exemption under the provisions of paragraph (1) of this subsection.

(d) Occupancy of hotel rooms by other exempt entities - Occupancy of rooms, the charges for which are billed to and paid by the following organizations, shall be exempt from tax. Charges paid by employes or other agents of these organizations shall be subject to tax even though the employe or agent is reimbursed by the exempt organization:

(1) Federal Credit Unions organized under the provisions of the "Federal Credit Union Act", act of June 26, 1934, as amended P.L. 86-385 dated September 22, 1959 (12 U.S.C. §1751 et seq.).

(2) Pennsylvania Credit Unions formed and incorporated under the provisions of the "Credit Union Act", act of September 20, 1961 (P.L. 1548, No. 658) (15 P.S. §§12301--12333).

(3) Public Authorities created under the Municipal Authorities Acts of 1935 and 1945 (53 P.S. §§301--322).

(4) Co-operative Agriculture Associations required to pay corporate net income tax under the provisions of the "Co-operative Agriculture Association Corporate Net Income Tax Act", act of May 23, 1945 (P.L. 893, No. 360) (72 P.S. §§3420-21--3420-30).

(5) Electric Cooperative Corporations formed under the "Electric Cooperative Corporation Act", act of June 21, 1937 (P.L. 1969, No. 389) (15 P.S. §§12401--12438).

(6) Any other organization claiming an exempt status under a particular statute shall make application to the Department of Revenue, Harrisburg, Pennsylvania 17127 (Attention: Office of Chief Counsel) for approval to use such exemption.

(e) Records of exempt occupancies - The hotel operator shall maintain records to support and identify all exempt occupancies. Exemption certificates, letters of exemption, direct payment permits, and other documents relating to exemptions from tax issued under the provisions of the sales and use tax portion of the TRC (72 P.S. §§7101--7282) or regulations promulgated thereunder, are of no force and effect with respect to the tax imposed by the hotel occupancy tax portion of the act with the exception noted in subsections (b) and (d) of this section.

(f) Others not exempt - No person or entity other than those referred to by the preceding paragraphs of this subsection shall be exempt from the Hotel Occupancy Tax. Occupancy by employees or representatives of the Commonwealth, its instrumentalities or political subdivisions, is not exempt from hotel occupancy tax, regardless of the nature of the business upon which the employee or representative is engaged, and regardless of the identity of the person or agency paying for the occupancy. Occupancy by employees or representatives of State Credit Unions is not exempt from the tax. Exemption from the sales and use tax portion of the TRC (72 P.S. §§7101--7282) granted to persons, organizations, or institutions, including exemptions granted to religious organizations, charities, educational institutions, and the like, are not applicable to the Hotel Occupancy Tax, and such persons, organizations, or institutions are required to pay tax upon their occupancy of hotel rooms.



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE
BUREAU OF BUSINESS TRUST FUND TAXES
DEPT. 280901
HARRISBURG, PA 17128-0901

PENNSYLVANIA EXEMPTION CERTIFICATE

CHECK ONE:

- ☐ LOCAL AND/OR STATE AND LOCAL SALES AND USE TAX
☐ LOCAL AND/OR STATE AND LOCAL HOTEL OCCUPANCY TAX
☐ PUBLIC TRANSPORTATION ASSISTANCE TAXES AND FEES (PTA)

(Please Print or Type)

This form cannot be used to
obtain a Sales Tax License
Number, PTA License
Number or Exempt Status.

**Read Instructions
On Reverse Carefully**

THIS FORM MAY BE PHOTOCOPIED - VOID UNLESS COMPLETE INFORMATION IS SUPPLIED

- CHECK ONE: ☐ PENNSYLVANIA TAX UNIT EXEMPTION CERTIFICATE (USE FOR ONE TRANSACTION)
☐ PENNSYLVANIA TAX BLANKET EXEMPTION CERTIFICATE (USE FOR MULTIPLE TRANSACTIONS)

Name of Seller or Lessor

Street City State Zip Code

Property and services purchased or leased using this certificate **are exempt** from tax because:

(Select the appropriate paragraph from the back of this form, check the corresponding block below and insert information requested.)

- ☐ 1. Property or services will be used directly by purchaser in performing purchaser's operation of:

- ☐ 2. Purchaser is a/an: _____
- ☐ 3. Property will be resold under License Number _____. (If purchaser does not have a PA Sales Tax License Number, include a statement under Number 7 explaining why a number is not required.)
- ☐ 4. Purchaser is a/an: _____ holding Exemption Number _____
- ☐ 5. Property and/or services will be used directly by purchaser performing a public utility service. (Complete Part 5 on Reverse.)
- ☐ 6. Exempt wrapping supplies, License Number _____. (If purchaser does not have a PA Sales Tax License Number, include a statement under Number 7 explaining why a number is not required.)
- ☐ 7. Other _____
 (Explain in detail. Additional space on reverse side.)

I am authorized to execute this Certificate and claim this exemption. Misuse of this Certificate by seller, lessor, buyer, lessee, or their representative is punishable by fine and imprisonment.

Name of Purchaser or Lessee

Signature

Street Address City State Zip Code

1. ACCEPTANCE AND VALIDITY:

For this certificate to be valid, the seller/lessor must exercise good faith in accepting this certificate, which includes: (1) the certificate must be completed properly; (2) the certificate must be in the seller/lessor's possession within sixty days from the date of sale/lease; (3) the certificate does not contain information which is knowingly false; and (4) the property or service is consistent with the exemption to which the customer is entitled. For more information, refer to Regulation 200, Exemption Certificates (Title 61 PA Code §32.2). An invalid certificate may subject the seller/lessor to the tax.

2. REPRODUCTION OF FORM:

This form may be reproduced but must contain the same information as appears on this form.

3. RETENTION

The seller or lessor must retain this certificate for at least four years from the date of the exempt sale to which the certificate applies. **DO NOT RETURN THIS FORM TO THE PA DEPARTMENT OF REVENUE.**

4. EXEMPT ORGANIZATIONS:

This form may be used in conjunction with form REV-1715, Exempt Organization Declaration of Sales Tax Exemption, when a purchase of \$200 or more is made by an organization which is registered with the PA Department of Revenue as an exempt organization. These organizations are assigned an exemption number, the first two digits of this number begin with 75 (example 75-00000-0).

GENERAL INSTRUCTIONS

Those purchasers set forth below may use this form in connection with the claim for exemption for the following taxes:

- a. State and Local Sales and Use Tax;
- b. PTA rental fee or tax on leases of motor vehicles;
- c. Hotel Occupancy Tax if referenced with the symbol (●);
- d. PTA fee on the purchase of tires if referenced with the symbol (+)

EXEMPTION REASONS

1.) Property and/or services will be used directly by purchaser in performing purchaser's operation of:

- A. Manufacturing B. Mining C. Dairying D. Processing E. Farming F. Shipbuilding

This exemption is not valid for property or services which are used in: (a) constructing, repairing, or remodeling of real property, other than real property which is used directly in exempt operations; or (b) maintenance, managerial, administrative, supervisory, sales, delivery, warehousing or other nonoperational activities. Effective October 1, 1991, this exemption does not apply to certain services and PTA tire fee.

2.) Purchaser is a/an:

- + A. Instrumentality of the Commonwealth.
- + B. Political subdivision of the Commonwealth.
- + C. Municipal Authority created under the "Municipal Authority Acts of 1935 or 1945."
- + ● D. Electric Co-operative Corporation created under the "Electric Co-operative Corporation Act."
- + ● E. Co-operative Agricultural Association required to pay Corporate Net Income Tax under the Act of May 23, 1945, P.L. 893, as amended (exemption not valid for registered vehicles).
- + ● F. Credit Unions organized under "Federal Credit Union Act" or State "Credit Union Act".
- + ● G. Federal Instrumentality
- H. Federal employe on official business (Exemption limited to Hotel Occupancy Tax only. A copy of orders or statement from supervisor must be attached to this certificate.)
- I. School Bus Operator (This Exemption Certificate is limited to the purchase of parts, repairs or maintenance services upon vehicles licensed as school buses by the PA Department of Transportation. For purchase of school buses, see NOTE below.)

3.) Property and/or services will be resold or rented in the ordinary course of purchaser's business. If purchaser does not have a PA Sales Tax License Number, complete Number 7 explaining why such number is not required. This Exemption is valid for property or services to be resold: (1) in original form; or (2) as an ingredient or component of other property.

4.) Special exemptions

- A. Religious Organization
- B. Volunteer Fireman's Organization
- C. Nonprofit Educational Institution
- D. Charitable Organization
- E. Direct Pay Permit Holder
- + ● F. Individual Holding Diplomatic ID
- + G. School District
- H. Tourist Promotion Agency
(Exemption limited to the purchase of promotional materials for distribution to the public.)

Exemption limited to purchase of tangible personal property for use and not for sale. The exemption may not be used by a contractor performing services to real property. Each exempt organization or institution must have an exemption number assigned by the PA Department of Revenue or diplomats must have an identification card assigned by the Federal Government. The exemption for categories "A, B, C and D" are not valid for property for use in: (1) construction, improvement, repair or maintenance of any real property, except supplies and materials used for routine repair or maintenance of the real property; (2) any unrelated activities or operation of a public trade or business; or (3) equipment used to maintain real property.

5.) Property and/or services will be used directly by purchaser in the production, delivery, or rendition of public utility services as defined by the PA Utility Code.

☐ PA Public Utility Commission and/or ☐ Interstate Commerce Commission

A contract carrier is not entitled to this Exemption and a "Schedule of Charges" filed by such carrier does not satisfy this requirement. This Exemption is not valid for property or services for use in (1) construction, improvement, repair or maintenance of real property, other than real property which is used directly in rendering the public utility services; or (2) managerial, administrative, supervisor, sales or other nonoperational activities; or (3) tools and equipment used but not installed in maintenance of facilities or direct use equipment. Tools and equipment used to repair "direct use" property are exempt from tax.

6.) Vendor/Seller purchasing wrapping supplies and nonreturnable containers used to wrap property which is sold to others.

7.) Other (Attach a separate sheet of paper if more space is required.) _____

NOTE: Do not use this form for claiming an exemption on the registration of a vehicle. To claim an exemption from tax for any Motor Vehicle, trailer, semi-trailer or tractor with the PA Department of Transportation, Bureau of Motor Vehicles and Licensing, use **FORM MV-1**, "Application for Certificate of Title", for "first time" registrations and **FORM MV-4ST**, "Vehicle Sales and Use Tax Return/Application for Registration", for all other registrations.